Action against M/s ICDS Ltd.

4665. SHRIYADLAPATIVENKAT RAO : Will the Minister of FINANCE be pleased to state the action proposed against M/s ICDS Ltd., Manipal, a registered company, which has stopped payment of interest on debenture even to senior citizens since July, 2002?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): Reserve Bank of India (RBI) has reported that M/s ICDS Limited is a Manipal based Non-Banking Finance Company. It has filed on July 20,2002 an application before the High Court of Karnataka under Section 391 of the Companies Act, 1956 and submitted a scheme of arrangement for its approval. RBI is opposing the said scheme, as the same is detrimental to the interest of the depositors. The company has been issued prohibitory orders not to accept fresh deposits as also not to renew any maturing deposit and against alienation of its assets, without RBI's prior permission. The Certificate of Registration issued to the company has also been cancelled by RBI on October 9, 2002.

Merger of IDBI and IIBI (Kolkata)

4666. SHRI RAJKUMAR DHOOT : Will the Minister of FINANCE be pleased to state :

whether it is a fact that Government propose to merge IDBI and IIBI (Kolkata);

if so, the details thereof and the reasons therefor; and

what will be its impact on long-term financing of projects?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) There is no proposal to merge IDBI and IIBI at present.

(b)and(c) Do not arise.

Moody's comments on fiscal deficit

4667. SHRI K.B. KRISHNA MURTHY : Will the Minister of FINANCE be pleased to state :

whether Moody's investment analysis have commented that India will find it difficult to meet its fiscal deficit target for the year 2003 -04 as a result of cut in taxes and stepping up spending on infrastructure sectors;

if so, whether Moody's report also states that India is already having a huge and growing debt burden; and

whether Government are considering to slash the debt burden in view of excess foreign exchange reserves held by it at present?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) Moody's Investors Service while upgrading India's country ceiling for foreign currency debt to 'Bal from 'Ba2' in February, 2003 expressed concern about the state of public finances including fiscal deficit and public debt.

(c) Government is committed to achieve fiscal consolidation through measure which *inter alia,* include reduction in debt burden by prepaying outstanding costlier loans reducing the cost of borrowings and elongation in the maturity profile of loans.

FDI realisation rate

4668. SHRI EKANATH K. THAKUR : Will the Minister of FINANCE be pleased to state :

whether it is a fact that India had recorded the highest ever FDI realisation rate (inflows to approval ratio) of 191.1 per cent in rupee terms during the year 2002;and

the total FDI inflow in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL) : (a) and (b) India has recorded the highest ever FDI realisation rate (inflows to approval ratio) of 191.8 per cent in rupee terms during the year 2002 and the total FDI inflows received during the year in the country excluding ADRs/GDRs amounted to Rs. 16,218.44 crore (US$ 3,378.84 million).

Guidelines for Asset Reconstruction Companies

4669. SHRI RAMA MUNI REDDY SIRIGIREDD Y : Will the Minister of FINANCE be pleased to state :